

APEX SEMINAR
1400-1420, Monday, 6 Oct. 1980
Auditorium

- * APEX is probably most significant change to handling of compartmented information any of us has seen in our careers.
 - fundamental change in both philosophy & mechanics
 - promises important improvements in security
 - depends on how well implemented
 - that's why you and I are here
- * Background - for some of you who were here last May, may be repeat - but feel it's important enough to say again.
 - Liabilities of old system:
 - 1. never planned logically - grew over 4 decades
 - 2. separate - uncoordinated
 - 3. many different rules
 - 4. increase in compartmented material making system meaningless - dangerous
 - Charge to General Vogt: *2 years*
 - 1. objective look
 - 2. simplify - clarify - *understandable*
 - 3. downgrade - declassify
 - 4. strengthen "need-to-know"
 - 5. strengthen barriers between compartments
 - 6. provide for actual needs of tactical commanders.
 - NFIB Working Group proposed:
 - 1. single, community-wide system

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2. maximum dissemination

3. restrict compartmentation

* Features of APEX

- operational compartments
- operational subcompartments
- product compartments -

COMINT
HUMINT
IMAGERY
TECHNICAL

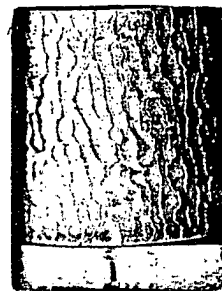
- ROYAL

* My expectations

- Eliminate need for billet ceilings - depends on you
- Access will tighten to that needed to do job
- Significant reduction in volume - thus, less burden to keep track of
- More avail. under normal non-compartmented classification - particularly military commanders
- Simplification = economy of resources = improved security

* Realize many of you are concerned about the impact of APEX on contracting costs.

- First, is it worth the cost? Absolutely. All aware of leaks. Increasing rather than decreasing. Especially in R&D contracting, leaks can be devastating because of potential to hurt us for many years. APEX will strengthen the security of these sensitive programs.
- Unquestionably the manhour costs for contractors to



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train people and the costs of making physical changes to accommodate APEX will not be insignificant

-- However, your best tool to keep those costs w/in reasonable limits is your understanding of the APEX system and exactly what is required both by the government & the contractor to comply w/its provisions.

-- I hope we can help you do that here today.

* APEX has enormous potential to improve our security practices - it is worth the effort.

But -

-- security results fm personal discipline - not bureaucratic rules. Rules can only help; and holding costs down will depend on your personal understanding and involvement in the system.

